

Minutes of the Finance Committee
Wednesday, August 3, 2005

Chair Haukohl called the meeting to order at 8:45 a.m.

Present: Supervisors Pat Haukohl (Chair), Jim Behrend, Bonnie Morris, and Joe Marchese. Genia Bruce and Ken Herro arrived at 8:48 a.m. Herro left the meeting at 10:05 a.m. and returned at 12:20 p.m. Bruce left the meeting at 12:25 p.m. **Absent:** Don Broesch.

Also Present: Legislative Policy Advisor Mark Mader, Public Works Director Rich Bolte, Business Manager Betsy Crosswaite, Building Operations Manager Mark Keckeisen, Senior Civil Engineer Karen Braun, Principal Financial Projects Analyst Bob Ries, Administration Director Norm Cummings, Budget Manager Keith Swartz, Senior Financial Analyst Andy Thelke, Health & Human Services Director Peter Schuler, Administrative Services Manager Russ Kutz, Clinical Services Manager Mike DeMares, and Budget Specialist Linda Witkowski. Recorded by Mary Pedersen, Legislative Associate, County Board Office.

Approve Minutes of 7-13-05

MOTION: Behrend moved, second by Marchese to approve the minutes of July 13th. Motion carried 4-0.

Chair's Executive Committee Report of 8-1-05

Haukohl advised of the following issues discussed at the last Executive Committee meeting.

- Approved ordinance 160-O-036 to complete courtroom remodeling Phase III by modifying the scope of the project to include furniture.
- Heard an update on the strategic planning process.

Herro and Bruce arrived at 8:48 a.m.

- Approved the scope of the Health & Human Services Department's contracted services internal audit.
- Heard a legislative update on the Governor's veto/save list, as suggested by the Executive Committee.

Announcements

Marchese was concerned about the County's snow blower at the Airport and getting the proper equipment. Haukohl suggested he talk with Public Works staff and that this could be agendized for a future meeting.

Ordinance 160-O-035: Sale of Excess Right of Way – Parcel 55 CTH J / STH 164 Pewaukee Road

Braun distributed maps of the parcel and a letter from the City of Pewaukee outlining possible uses for this buildable property which consists of 2.47 acres. The ordinance authorizes the sale of an excess right-of-way resulting from the construction of former CTH J (now known as STH 164). The property is currently zoned residential and could be rezoned for other purposes, however, not retail and/or service commercial or multi-family residential. Braun said Waukesha County would not be involved in any rezoning; we're just selling the land. The parcel is expected to be sold at fair market value with the proceeds being appropriated to the General Fund – Nondepartmental revenue account.

MOTION: Behrend moved, second by Herro to approve ordinance 160-O-035. Motion carried 6-0.

Fund Transfer 2005-400-1: Public Works Dept. – Transfer Funds from Operating Expenses to Personnel Expenses

Crosswaite said this fund transfer involves transferring \$49,000 for overtime expenses so County staff can paint areas of the Mental Health Center, Courthouse, Administration Center, and Public Health Center. It was determined that for some painting projects, it is more cost effective to have internal staff complete the projects rather than hire private contractors.

MOTION: Morris moved, second by Marchese to approve fund transfer 2005-400-1. Motion carried 6-0.

2nd Quarter Status Report on Investments

Reis discussed his report as outlined which included information on investment yield, investment revenue, average daily balance, total County investment income, and the County's investment portfolios and holdings. The return for the 2nd quarter decreased from 0.93% to 0.79%. This was largely due to gains on the sale of investments of approximately \$284,000 during the 1st quarter, combined with losses on sales of \$12,100 in the 2nd quarter. Factoring out the gains and losses, the County's base return increased from 0.76% to 0.80% in the 2nd quarter. The gain / loss adjusted return of 0.80% in the 2nd quarter is 17 basis points above the gain / loss adjusted return for the 2nd quarter of 2004. The overall return on investments for the County over the last four quarters was 3.10%. Total interest earnings for the quarter were \$1,349,180. This is \$240,000 more than the 2nd quarter of 2004, at which time total invested balances were \$17.7 million higher than they are now.

Mid-Year Status Report on the Department of Administration's Budget

Cummings, Biagioli, and Sander were present to discuss this issue. Cummings distributed copies of the department's Strategic Directives and Objectives from the 2005 adopted budget book which staff discussed as outlined. No major concerns were raised. Herro asked that the five-year financial forecast to identify future County funding gaps be agendaized for a future meeting.

Herro left the meeting at 10:05 a.m.

Mid-Year Status Report on Department of Administration Capital Projects

Cummings, Biagioli, and Sander were present to discuss this issue. Cummings distributed copies of the Summary / Capital Projects page from the 2005 adopted budget book. Staff gave an update on current and proposed capital projects. While there were some red flags, no major concerns were raised. Cummings requested that the Electronic Document Management System capital project be agendaized for a future meeting.

Information Management Panel Report of 7-15-05

Bruce advised the committee of the following issues discussed at the last Information Management Panel meeting.

- Heard an update on Department of Administration capital projects.
- An environmental assessment was completed on the Information Systems Division's computer room. Makeshift improvements have been implemented although a study will be done early next year for a more permanent solution.

- Briefly discussed strategic planning as it relates to business planning.
- The mobile data computing infrastructure is complete and testing was to begin in July.

2nd Quarter Status Report on Special Revenues

Swartz and Thelke were present to discuss this report as outlined. Schuler and his staff were present to discuss their portion of the report primarily due to a hefty negative budget variance for Mental Health Center programming. Swartz said an ordinance will be coming, forward probably in September, to transfer funds to aid this budget.

Countywide, for six months, Special Revenue actual operating budget expenditures were at \$42.5 million or 42.4% of the total modified budget, an increase of \$3.3 million in actual spending versus expenditures for the same period on 2004. Operating revenues (excluding tax levy) achieved during the first six months of 2005 were \$34.6 million or 44.6% of the modified revenue budget. This was slightly above the first six months of 2004 when revenue of \$33.6 million was received.

Herro returned at 12:20 p.m.

The committee recessed at 12:25 p.m. and reconvened at 1:17 p.m. Bruce did not return.

Mid-Year Status Report on Countywide Capital Projects

Witkowski discussed the County's 73 capital projects as outlined in her report which included information on project title, current appropriation, expenditures, balance, and percentage of project completed (design, bid, and construction).

Discuss Scheduling of Resolution 160-R-007: Support Development of Memoranda of Understanding Between Waukesha County and County Municipalities Regarding Statewide Voter Registration System

After a brief discussion on scheduling this issue, the committee decided to meet at 6:30 p.m. on August 9th, prior to the County Board meeting.

Schedule Next Meeting Dates

August 9th at 6:30 p.m. and August 17th at 8:45 a.m.

Report by Supervisor Herro on Strategic Planning

This issue was carried over to the August 17th meeting.

Future Agenda Items

- Update on the Purchase of Snow Removal Equipment for the Airport (Marchese)
- Discuss Five-Year Financial Forecast to Identify Future County Funding Gaps (Herro)
- Discuss the Electronic Document Management System Capital Project (Cummings)

MOTION: Behrend moved, second by Marchese to adjourn at 2:00 p.m. Motion carried 5-0.

Respectfully submitted

Bonnie J. Morris
Secretary